

## **CREATING MORE AND BETTER JOBS**

### ***In the four years before Haley Barbour became Governor:***

- Mississippi suffered a net loss of 38,300 jobs
- Mississippi lost a higher percentage of our manufacturing jobs than any other state in the entire country. Mississippi suffered a net loss of 49,700 of our highest paying jobs – a 22 percent decline in manufacturing employment.

### ***Why were we hemorrhaging jobs?***

- For two straight years, the U.S. Chamber of Commerce ranked Mississippi worst in the nation for lawsuit abuse. Every small business was one lawsuit away from bankruptcy.
- Workforce training was not a state government priority with \$43 million of job training money available from the federal government unspent because the state was not managing the workforce training programs properly. During the previous administration, the budget for our Community Colleges, which are our principal workforce training institutions, was cut 16 percent.
- In four years, Mississippi went from the best financial condition in our state's history to a more than \$700 million budget hole. The budget mess left many people saying that there was no alternative but a tax increase.
- A lack of focus on regional economic development and a one-size-fits-all approach in our economic development incentives and programs.

### ***Haley's Plan: Enact real, comprehensive tort reform***

- Haley and the Legislature enacted what the *Wall Street Journal* called the most comprehensive tort reform legislation in the country.
- After tort reform, liability rates went down, automobile insurance rates went down, homeowner's and other property insurance rates went down, and more than 50 new insurance programs entered our state. Tort reform created more competition, more affordable insurance, and created jobs by reducing unnecessary costs for small businesses.

### ***Haley's Plan: Reform our job training systems***

- The Legislature approved the Governor's plan to completely overhaul our state job training system under the reformed Department of Employment Security. We are no longer leaving available federal resources on the table and our job training programs are better aligned with what the private sector

needs. In its first year, the number of clients the reorganized department placed in jobs increased by 35 percent over the previous year.

- The state workforce training budget was doubled over two years and a new, stable funding source was created without raising taxes.
- The Legislature approved the Governor's proposal to reform the unemployment tax system to provide dedicated funding to workforce training while cutting state payroll taxes by 25 percent.

***Haley's Plan: Balance the budget without raising taxes***

- In two-and-a-half years, Mississippi went from a \$700 million budget hole to a projected surplus of more than \$100 million without raising anybody's taxes.
- Working together, the Legislature and Governor Barbour got control of state spending by reforming programs such as Medicaid and the prison system.
- In 2005, for the first time since 1987, our state paid off more debt than was issued, so our bonded indebtedness actually went down. This will provide financial relief to our kids and grandkids.
- State government is running more efficiently. For example, the Mississippi Development Authority is working more prospects than ever even with an 11 percent smaller workforce.

***Haley's Plan: Realign our Economic Development Programs***

- Governor Barbour formed Momentum Mississippi, a group of business, education, and government leaders from every area of the state dedicated to planning for long-term economic development.
- In a Special Session, the Legislature approved Momentum Mississippi's first set of recommendations, which realigned our economic development incentives to match the growth sectors of the economy and to provide incentives for higher paying jobs.

***The Results of Haley's Plan?***

The free-fall loss of manufacturing jobs has been stopped and manufacturing employment has remained steady for the last two-and-a-half years.

- For the first time in 75 years, Mississippi is not last in the country in per capita personal income.
- Since his election, per capita personal income has grown by 26.7 percent from 2003-08, according to the Bureau of Labor Statistics.

**Dealing with the current economy**

***Haley's Plan: Live Within Our Means, Continue Pushing for High-Quality Jobs***

The state constitution requires a balanced budget, even in times of severe fiscal distress. To deal with the current recessionary influences on the state budget Governor Barbour has:

- Consistently called for prudent use of the state's Rainy Day Fund, urging lawmakers to make last into the next administration.
- In this fiscal year, he has cut the budget nearly 8.2 percent, with reductions touching virtually every facet of state government.
- Mississippi continues to welcome new partners in the state's economy, including an announcement earlier this month that Wilh. Schulz GMBH will build a \$300 million facility that will employ 500 people in the manufacturing of state-of-the-art bonded, seamless clad pipe.
- Governor Babrou has consistently opposed raising taxes as a response to the economic slump, because tax increases hurt job retention and creation.